

BASF UK Group Pension Scheme

Pension Investment Fund Performance to 30 November 2024

Fund	3 Months	1 Year	2 Years
Adventurous	6.35%	20.34%	25.07%
Moderate	4.68%	16.82%	20.65%
Cautious	3.18%	12.51%	15.71%
Ethical	5.62%	24.35%	36.79%
Islamic	6.79%	29.37%	54.68%
Pre-Retirement Annuity	-1.53%	4.72%	0.67%
Liquidity Environmentally Aware Fund (LEAF)*	1.16%	5.23%	9.91%

*This fund was added to the Scheme in 2024, and therefore longer-term performance is for the underlying pooled fund, supplied by BlackRock. Cumulative performance is measured over the previous 3 months, 1 year and 2 years, net of fees, taken from Scottish Widows.

Understanding the performance

- The last 3-month period was positive for most investment types and funds, with the exception of bonds (which the Pre-Retirement Annuity Fund invests in).
- Equity market returns were positive over the period, which led to strong returns from the Adventurous, Moderate, Ethical, and Islamic Funds, all of which invest in equities (alongside other assets, for the Moderate Fund). This positive run was driven by a healthy global economic growth outlook overall, and a clear outcome from the US Presidential Election.
- Bond prices fell due to concerns about the future path of inflation and interest rates. This meant that the Pre-Retirement Annuity Fund, which only invests in bonds, generated a negative return. The Cautious Fund also invests in bonds (as well as other assets) so delivered more modest growth over the period.
- Certain alternative investment types such as gold and real estate investment trusts performed well. In the Moderate and Cautious Funds, the Scheme uses diversified growth funds which invest in these alternative assets. This contributed to the positive returns from these funds.
- Over the longer term, the Ethical and Islamic funds have benefited from their high allocations to the US market, especially technology companies, which performed well over 1 and 2 year periods.
- The new LEAF Fund produced a small positive return, as the Bank of England's Monetary Policy Committee cut UK bank base interest rates to 4.75% in November.

Remember, past performance is not a guide to the future and markets can be volatile.

